



# Town of Wenham

Selectmen / Town Administrator

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## MEMORANDUM

**TO:** Board of Selectmen  
**FROM:** Peter Lombardi, Town Administrator  
**RE:** Town Administrator's Report  
**DATE:** November 13, 2018

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### **Board of Health Proposed Tobacco 21 Regulations**

Recently, the state legislature passed several new laws regarding tobacco regulation, including a statewide increase of the minimum legal sale age to twenty-one (21). As of this month, 193 MA municipalities have increased their minimum age to purchase tobacco products prior to the state law going into effect. After discussions with the region's tobacco enforcement program and the owner of the one establishment in Town to which these regulations pertain, our Board of Health is holding a public hearing on December 13 to amend their local regulations to increase our local regulations to 21 by December 30, 2018. If the Board of Health takes no action to adopt age 21 by December 30, Wenham's one establishment selling tobacco products would be required to comply with the State's tiered implementation schedule over the next three years (each year on January 1: age 19 in 2019, age 20 in 2020, and age 21 in 2021) and the Board has decided to pursue an amendment to the local regulation and thus a more direct implementation instead.

### **FY20 Budget Update**

On October 26, HWRSD forwarded their student enrollment data to both member communities. While net district enrollment is down more than expected (-40 students across the district), the \$165k cost impact of the enrollment shift on Wenham's FY20 assessment is very closely in line what was projected by both NESDEC and McKibben, and represents an approximate 50% decrease in the impact of the student enrollment shift that Wenham has experienced for each of the past 3 fiscal years (\$300+k/year).

On October 31, the Division of Local Services certified our FY18 Free Cash balance at \$977,873.00. As previously discussed, this decrease of approximately \$250,000 in available Free Cash from FY17 was anticipated in our initial FY20 budget projections, and is reflected in our need to reduce our reliance on this one-time funding source as a revenue to offset the annual operating budget.

We are finishing our initial meetings with Department Heads to review their preliminary FY20 submissions and will have a recommended budget prepared to review at the joint Board of Selectmen and Finance & Advisory Committee meeting scheduled for December 1.

### **HWRSD Teachers Union Contract Vote**

See attached statement dated October 24, 2018.



# Town of Wenham

Town Hall  
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Selectmen / Town Administrator  
TEL 978-468-5520 FAX 978-468-8014

**RE:** Statement on HWRSD Teachers Union Contract Vote  
**DATE:** October 24, 2018

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Under state statute that governs regional school districts, one individual is selected to represent all of the member municipalities as a voting member of the School Committee for the purpose of negotiating collective bargaining agreements. For this particular cycle, I was chosen to represent both Hamilton and Wenham. Prior to negotiations commencing last winter, I solicited input from both Boards of Selectmen regarding their suggested policy direction and relayed such to the School Committee and District Administration.

Based on the terms of the tentative agreement that have been ratified by the union and in my role representing both municipalities, I will be voting against this contract. I want to make clear that my NO vote is not meant to reflect in any way on the excellent work that the District's teachers do in educating the children of our towns. The fact of the matter is that personnel costs account for about 70% of the District's annual operating budget and, over the past several years, the leadership of both towns, as the appropriating bodies, have repeatedly expressed their strong preference for trying to limit year over year increases in the District's budget.

At the same time, the towns have consistently negotiated lower annual COLA increases than those received by the teachers union. In Wenham's case, our employees received a net 5% COLA over the last 3 years, when the teachers union received a net 7.5% COLA over that same time period. This difference in COLA increases is not unique to this past 3 year period (Wenham = 13.5% vs. HWRSD = 19.5% in past 10 years). While we are not seeking to make straight comparisons between the salaries of teachers and those of Town employees, we feel like it would be inconsistent for us to both ask the District to limit its annual operating increases and ask Town employees to accept anything less than the same wage precedent set by this teachers union contract and also vote in favor of the contract.

As you know, in Wenham, we needed approval of an operating override from Town Meeting and at the ballot in order to fully fund our FY19 assessment for the District. As we work through our budget process for FY20 and seek to avoid another operating override in Wenham, I am concerned that approval of this contract will limit the District's ability to partner with the Town to meet that goal. So, for these reasons, I will be voting against this contract.

All that being said, I do want to acknowledge the good work that was done in these negotiations to agree on eliminating sick leave buyback for new hires starting next year. While the impact of that change will not be felt for many years, that policy shift sets an important precedent and will result in significant savings to the District long-term.